Check off facilities to Trade Unions of Syndicate Bank

260. SHRI RAMNATH KOVIND: Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 2744 given in the Rajya Sabha on 16th August, 1994 and state:

(a) whether it is a fact that the Syndicate Bank has extended the check off facility to all the Trade Unions working in the Bank irrespective of that they are recognised or not;

(b) whether it is a fact that check off facility have been extended to one SC/ST organisation only whereas there are two SC/ST organisations in the Syndicate Bank;

(c) if so, the reasons therefor;

(d) whether Syndicate Bank will extend check off facility to All India Syndicate Bank SC/ST Employees Welfare Association (Regd.); and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) to (e) Syndicate Bank has reported that on the specific request of Syndicate Bank SC/ST Employees Association, which claims majority following of SC/ST Employees of the Bank, it has been decided to extend the check-off facility to this Association w.e.f. 1.4.95. The request of another Association named as 'All India Syndicate Bank SC/ST Employees Welfare Association' for extension of similar check-off facility has not been acceeded to by the bank for the present. The bank will consider the claim of the other Association for extension of the facility of check off if the claim of the first Association having maoirity following is proved to the contrary.

World Bank Assistance to States

261. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) whether World Bank will be providing assistance to States which are willing to reform, improve fiscal discipline and sharply reduce subsidies;

(b) whether World Bank lending will also depend on the quality of projects; and

(c) if so, the details thereof and the stand taken by Government on the proposed conditionalities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) There have been some discussions with the Bank regarding Possible structural adjustment loans to State Governments. These loans are intended to be non-project tied and to provide quick disbursing resources to State Governments in support of State level reforms. The loans would be made by the World Bank to Government of India and they would then be passed on to the States as 100% additionality in the form of additional central assistance.

Rate of Inflation

262. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) the rate of inflation, on weekly basis, during the last three months;

(b) how these compare with the same period of 1993-94;

(c) what are the reasons for rise in prices after September, 1994; and

(d) the steps taken to check rise in prices?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) The annual rate of inflation on weekly basis during the latest three month period and the inflation rate in the corresponding months of last year is given in the attached statement. (*See* below).

(c) Broadly the reasons for the latest rise in prices are ascribed to the following factors:

(i) high growth of monetary variables, mainly because of strong build up of foreign exchange reserves;

(ii) production shortfalls in 1993-94 in sugar, cotton, jute and groundnut causing short term supply imbalances leading to sharp rise in their prices;

(iii) spill-over effect of administered price increases in wheat, rice, sugar and energy imputs in later months of 1993-94;

(iv) cumulative impact of large increases in minimum support prices continuously for the past three years has resulted in higher primary product prices and produced upward pressure on the wage goods.

(d) Steps taken to contain inflation in the current fiscal year:

(i) Release of foodgrains from public stocks through open market sale by Food Corporation of India.

(ii) Placing import of sugar on OGL at zero duty.

(iii) Ensuring sugar availability for PDS by importing nearly 10 lakh tonnes at zero duty.

(iv) Allowing import of palmolein oil under OGL.

(v) Importing 1.07 lakh tonnes of palmolein oil for supply to consumers through PDS.

(vi) With effect from March 1995, allowing imort of major edible oils under OGL at reduced duty of 30 per cent.

(vii) Allowing cotton import under OGL at zero duty.

(viii) Placing a cap on Central Government's borrowings from the RBI through the issue of ad hoc Treasury Bills and containing monetary growth through a series of measures including raising of CRR and sale of Government securities by the RBI.

Statement

Annual rate of inflation (point-to-point)

(Per cent)

	Week Ending (Date)	1994-95	1993-94
November 94	15.11.94	8.96	8.79
	12.11.95	9.53	8.67
	19.11.94	10.11	8.42
	26.11.94	10.60	8.57

	Week Ending (Date)	1994-95	1993-94
December 94	03.12.94	10.36	8.74
	10.12.94	11.29	8.97
	17.12.94	11.24	8.82
	24.12.94	11.15	8.57
	31.12.94	9.96	8.86
January 95	07 01 95	10 67	9 18
	14 01 95	10 62	9.47
	21.01.95	11.14	9.14
	28.01.95	11.55	8.96
February 95	04 02.95	11.37	9 52
	11.02.95	11.52	9.42
	18.02.95	11.49	9.25

Objecives of economic reforms

263. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) the basic objectives of economic reforms initiated in June, 1991;

(b) how far these objectives have been realised; and

(c) what has been the impact of the reforms on the standard of living of lower and middle class people in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) The fundamental objective of economic reforms is to bring about rapid and sustained improvement in the quality of life. Central to this goal is the rapid growth in incomes and productive employment.

The new economic policies have helped in achieving higher economic growth. It increased from 0.9 per cent in 1991-92 to 4.3 per cent in 1993-94 and is expected to be at 5.3 per cent in 1994-95. Industrial production which almost stagnated in 1991-92 is expected to grow by 8 per cent during 1994-95. Foodgrain production is expected to attain a record high of 185 million tonnes in 1994-95. Rate of inflation (measured in terms of Wholesale Price Index for all commodities) has been brought down to 11.4 per cent as on February 4, 1995 from 13.6 per cent in 1991-92. Additional employment opportunities in the economy increased from 3 million in 1991-92 to 6 million in each of the years 1992-93 and 1993-94 with prospects for a larger rise in 1994-95.

The above developments are expected to have a favourable impact on the standard of living of lower and middle class in the country.

Banks to deal in securities on stock exchanges

264. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering a proposal to allow banks to directly deal in securities on the Stock Exchange; and

(b) if so, the reasons for such permission in the light of securities scam?